

Bulletin 1-08

July 31, 2008

To: Private Passenger Automobile Insurers

Subject: Industry-wide Adjustment Effective November 1, 2008

Today, the Board issued Order No. 01-08 detailing their decision on the industry-wide uniform adjustment for basic coverage on private passenger vehicles, mandated under Section 4 of the *Automobile Insurance Premiums Regulation*. The order increases the current rate level by 5% effective November 1, 2008. This increase is the result of an Experience adjustment of -5% and +10% for the repeal of the *Minor Injury Regulation* Cap on non-pecuniary damages recoverable for minor injuries. The Board concluded that the impact of the Cap is expected to be +20%; however, chose to limit recognition to half of the estimated impact for the 2008 adjustment based on the uncertainty surrounding the appeal.

The order permits insurers to uniformly increase their premium level for basic coverage by up to 5% on or after November 1, 2008. Insurers must give written notice to the Board of their intention to implement any portion of the increase and the effective date(s) of such increase. Insurers should include a set of any revised manual pages with the notice.

[Click here to view Order No. 01-08.](#)

The Board wishes to thank all those that either took part in the annual meetings or provided input into the decision process. The Alberta Automobile Insurance Rate Board is committed to an efficient and effective automobile insurance market with fair and predictable rates.

Sincerely,

Original signed by

Del Dyck CMA, CLGM
Executive Director